

**NOTE:** As provided in LFC policy, this report is intended only for use by the standing finance committees of the Legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC's office in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR: McSorley DATE TYPED: 01/30/02 HB \_\_\_\_\_  
 SHORT TITLE: Increase Public School Fund School Fund Distribution SJR 11  
 ANALYST: Neel

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03			
	\$96,509.0	See Narrative	Recurring	General Fund
	\$16,906.0	See Narrative	Recurring	Other Beneficiaries of the Land Grant Permanent Fund
	(\$113,205.0)	See Narrative	Recurring	Land Grant Permanent Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Duplicates HJR 15

### SOURCES OF INFORMATION

State Investment Council (SIC)

### SUMMARY

#### Synopsis of Bill

The resolution proposes to increase the distribution from the Land Grant Permanent Fund (LGPF) by 1.3 percent to 6.0 percent. Currently, the distribution is set at 4.7 percent.

### FISCAL IMPLICATIONS

The estimate assumes that it would take Congress the balance of FY03 to enact enabling legislation.

SIC has stated that the distribution from the LGPF could be increased by 0.1 percent without eroding the corpus of the fund. As the accompanying graph demonstrates, this proposal would generate

**Senate Joint Resolution 11 -- Page 2**

increasingly smaller distributions over time. By the year 2028, the corpus of the LGPF would be sufficiently eroded as to generate less under a 6% distribution plan than it would under current law.

SN/njw:ar  
Attachment

***Land Grant Permanent Fund  
Distributions Comparison***

